Executive Summary

This report seeks approval to commence the re-procurement of:

- Supported Living and Personal Support services for adults with learning disabilities – currently commissioned through the Supported Living Framework (SLF) which ends 31st March 2015
- Support to Disabled Children and Young People – currently commissioned through the Family Support Framework (FSF) which ends 31st March 2015.

This will be achieved through the establishment of a Framework Agreement for Supported Living and Family Support Services for Adults with Learning Disabilities and Disabled Children and Young People in West Sussex (SLFSSF). This new Framework will also include Shared Lives services provided by the independent sector and Live in Care services for Adults with Learning Disabilities.

The Council currently commissions services for:
- approximately 650 customers with learning disabilities via the SLF with an annual spend of approximately £17 million from the LD Pooled Budget
- approximately 180 families of disabled children and young people via FSF with an annual spend of approximately £911,000 from the Children with Disability Budget
- approximately 35 customers with learning disabilities in Shared Lives services via the independent sector (Grace Eyre Foundation) with an annual spend of around £526,000 from the LD Pooled Budget.

The establishment of the new Framework (SLFSSF) will:
- improve continuity of support for disabled young people and families as they move from Children’s to Adult Services;
- enable opportunities for an increase in the number of organisations working with disabled young people and their families (as indicated by consultation with current service providers);
- reduce expenditure on Family Support Services for disabled children and young people via the introduction of the maximum ceiling rate of £14.85;
- strengthen current contractual arrangements for Shared Lives as delivered by the independent sector and may stimulate additional provision of this cost effective service;
stimulate the market for Live In care which can be a cost effective and person centred approach to support of individuals or small groups.

**Recommendations**

That the Cabinet Member approves:

1. The commencement of an open tender procurement process for new framework arrangements with effect from April 2015 with a maximum ceiling hourly rate for core service delivery of £14.85;
2. The award of the Framework for a period of 3 years with the option to extend for a further period of up to 3 years to a maximum of 6 years; and
3. The delegation of authority to the Director of Public Health and Social Care Commissioning to let the Framework Agreement and to extend if appropriate in accordance with Standing Orders on Procurement and Contracts and subject to this being affordable within the limits of the planned budgets.

1. **Background and Context**

   **Current Arrangements for the Learning Disability Supported Living Framework Agreement (SLF)**

   1.1 This framework has been in place since April 2012. Currently there are 59 organisations who have been awarded a place on the framework either at the initial award or subsequent annual openings.

   1.2 In 2011, prior to the establishment of the SLF an extensive consultation exercise was undertaken with the provider market as part of a previous savings plan which considered the following options:

   - Do nothing re hourly rate, but reduce services
   - Introduction of a maximum ceiling rate
   - Open Market Tender
   - Negotiated approach by individual provider

   1.3 Providers supported the introduction of the ceiling rate as opposed to the other options available and continue to support this approach as it enables clarity and consistency across the market. Furthermore, providers welcomed the transparent approach to award of new business and have indicated that they would wish for this to continue.

   1.4 The development of this framework achieved two objectives:

   1.4.1 Established an agreed service specification for the Services, which provided clarity with regard to outcomes for customers and quality expectations; and

   1.4.2 Made significant savings by introducing a maximum ceiling rate, set at £14.50 per hour for core service delivery. The savings for general supported living services were in excess of £1.2m across
2012-2013 and 2013-2014, roughly 7\% on the previous total spend of £16m in those years.

1.5 Services currently let under the SLF that require re-procurement are:

- Individual support services and/or scheme based accommodation support services;
- The Supported Living Service (being a previous in-house service outsourced under the SLF with an annual value of circa £1.9 million); and
- A Place to Live Services (being services originally transferred from the NHS and now let under three contracts under the SLF with an annual value of circa. £3 million).

1.6 The Supported Living Service and A Place to Live Services both include many staff who were TUPE transferred from NHS or WSCC and therefore cannot be provided within the ceiling hourly rate due to protected terms and conditions of employment. The re-procurement of both these services is currently subject to internal review and potentially a single tender process (subject to obtaining the necessary approvals) and so will not form part of the new Framework Agreement, but will be subject to similar quality expectations and monitoring arrangements.

1.7 The providers who were awarded a place on the SLF were able to maintain their existing business. This maintained continuity of service delivery and acknowledged that many customers and/or their families had chosen the particular service provider. In effect, this business transferred from the terms of the Councils Domiciliary Care Contract to the new SLF terms and conditions.

1.8 Since April 2012, new business has been awarded through “mini-competitions” – tenders are put out to organisations on the SLF and the best value bid (taking into account cost, quality and any special skill requirements for staff) is selected.

1.9 Support packages are currently commissioned for approx. 650 customers funded from the Learning Disability Pooled Budget. 37 of the organisations awarded a place on the SLF are delivering an active support package at the current maximum ceiling hourly rate of £14.85. (The original hourly rate of £14.50 was subject to 1\% uplift in 2013 and 1.38\% uplift in 2014.)

Current Commissioning Arrangements for Shared Lives Schemes and Live in Care Services for customers with learning disabilities

1.10 Currently there is one organisation providing an independent shared lives scheme in the County. The “Scheme” supports 19 individual Shared Lives Carers who deliver support in their own homes to 33 adults with learning disabilities. The current spend for this service is £525, 928 per year funded from the Learning Disability Pooled Budget.

1.11 Learning Disability services do not currently commission any specific Live In Care packages, although have done so in the past. These services are included in the SLFFSF as they provide a customer focused and cost effective approach to 24/7 support and alternative to supported living.
Current arrangements for the Family Support Services Framework

1.12 This Framework has been in place since April 2012. Currently there are 14 providers on the Family Support Services Framework who deliver a countywide service to around 180 families.

1.13 Providers offer services at differing hourly rates ranging from £14.50 to £18.33 for basic weekday cost. Evening and weekend rates vary between £17.28 and £23.60 rising to £32.20 for bank holiday nights.

1.14 Care packages are funded from the Child Disability Budget and provide tailored support for families with severely disabled children.

1.15 Care packages are designed to ensure that disabled children and young people meet their full potential. The plans should be flexible to meet individual needs, support independence and (where appropriate) successful transition to adulthood. The plans should have robust systems to ensure continuous improvement and that individual needs continue to be met. Services within the care packages may include:

- personal care, moving and handling
- one to one support to enable disabled children and young people to access universal services – either initially, for a time limited basis or on-going
- ‘buddy service’ to support teenage disabled young people
- working with the whole family on issues such as sleep, managing change and behaviour

1.16 New business has been awarded through “mini-competitions” – tenders are put out to organisations on the FSS and the best value bid (taking into account cost and any special skill requirements for staff) is selected.

1.17 Families would benefit from a framework with an increased number of providers on it, which provides continuity of support during the transition to adulthood. It has been difficult to find and maintain some packages under the Family Support Services Framework for families who need a high level of support.

2. Consultation

2.1 The Cabinet Member for Children – Start of Life has been consulted and is content with the recommendations of this report.

2.2 As part of the existing arrangements and in consideration of the future commissioning arrangements, a market consultation exercise was undertaken with both adult and children provider organisations in September 2014.

2.3 A market consultation paper was created on the Councils Sourcing portal and organisations were asked to comment on the following areas:
The inclusion of arrangements to expand the framework to include support packages for disabled children and young people
- A reduction of geographical areas from five to three.
- Alternative suggestions for renaming “Mini Competitions” the terminology used for the tendering of support packages
- The inclusion of arrangements for the commissioning of organisations to deliver Independent Shared Lives Schemes
- The inclusion of arrangements for the commissioning of Live In Care services for Adults with Learning Disabilities

2.4 A total of 33 organisations responded to the consultation, 13 of which are not currently providing services under either of the existing framework agreements.

2.5 Both existing and new organisations welcomed the inclusion of additional commissioning arrangements in the new Framework Agreement, expressing that this would present positive opportunities to expand their current business model or to deliver new services in West Sussex.

2.6 Organisations did not object to the reduction of geographical areas. 66% of organisations indicated that they would be able to deliver services in a minimum of two of the three revised areas.

Internal

2.7 The review of existing arrangements and proposed expansion of the new framework have included involvement and advice from Adults and Children’s Services, Health and Social Care, Finance, Legal and Contracts and Procurement Services.

3. Proposal

3.1 To establish a new Framework Agreement for Supported Living and Family Support Services – for the provision of supported living and personal support services for adults with learning disabilities living in their own tenancies or with family carers; family support services for disabled children and young people; Shared Lives services from the independent sector; and Live-in Carer services - and to award the new Framework Agreement for a period of 5 years with the option to extend for up to 2 years to a maximum of 7 years, until March 2022.

3.2 The objectives of the Framework Agreement are to:

3.2.1 Assure supply across the county, by paying a consistent rate for core services, with resultant cost savings
3.2.2 Enable a lifelong approach to service delivery. An extended Framework Agreement enables providers the opportunity to join one Framework and deliver services to both disabled children and young people and adults with learning disabilities
3.2.3 Extend the range of service provision to offer more customer choice and set relevant service specifications to achieve the needs of customers, maintaining quality standards
3.2.4 Continue to implement consistent tender mechanisms to award new business known as “support provision opportunities.”

3.2.5 Make savings, predominantly from the Disabled Children’s Budget.

3.3 The current value of these services is £17,526k from the LD Pooled Budget and £911k from the Disabled Children’s Budget.

The Framework Agreement

3.4 Services to be included in the revised Framework Agreement will be:

- Supported living services including personal care for adults with learning disabilities where care/support is delivered in an accommodation based service and where some support is shared and may include 24 hour support.

- Outreach support services including personal care for adults with learning disabilities; where care/support is delivered but where there is no shared support (e.g. the customer is living with parents/carer or is living alone).

- Personal care for physically disabled children and young people, with or without learning disabilities, including complex needs such as moving and handling.

- One to one support to enable disabled children and young people to access universal services and/or support to address specific issues such as managing change and developing life skills, which can be provided on a time limited or on-going basis or where initial support is needed for sustainability.

- Provision of a “buddy” service - to accompany teenagers when taking part in an activity, whether in a home environment or outside the home.

- Independent organisations to provide Shared Lives schemes (formerly known as Adult Placements) where care and/or support is provided by individuals, couples and families in their own home who have been rigorously assessed, approved and trained for the role by the ‘Service’ (Shared Lives Scheme) who is registered with Care Quality Commission. Any independent Shared Lives Scheme provider organisations will be required to work in conjunction with the current WSCC in house Shared Lives provision, promoting choice and value for money in the market.

- Live in Care services which deliver care/support where the carer has their own living space in the customer’s home. Provider organisations will be required to provide carers dependent on customer need.
Cost of Services

3.5 The maximum ceiling hourly rate for adults, children and young people core services will be set at £14.85 for award of contracts in April 2015. The rate will be subject to any uplift applied, as agreed by the Council, which would be applicable for subsequent financial years during the term of the Framework Agreement. The Council may agree arrangements in excess of the ceiling hourly rate where there are exceptional circumstances and needs that cannot be met within the usual terms of the Framework Agreement.

3.6 Sleep in Rates for supported living and outreach services are currently under internal review due to the application of National Minimum Wage Regulations (1999) and will be subject to a final decision prior to the award of the Framework Agreement. Additional mileage rates will be charged separately at 46p per mile but paid only with the Council’s prior agreement on an individual needs basis only.

3.7 Rates for Shared Lives schemes will not exceed those agreed for the County Council’s in house shared lives service which currently range from £247.84 to £350.24 per week with additional payments for day care and a waking night allowance where required.

3.8 Rates for Live In Care services will be agreed based on the specific individual needs of customers as outlined in their support plan on the basis of a weekly rate ranging from around £650 to £1100.

New and Existing Providers

3.9 New providers wanting to join the Framework Agreement will be able to do so subject to them demonstrating their technical and financial capability through the submission of an application to an open tender process. The Framework Agreement will remain “open” during the full contract period to enable new providers to provide a submission to join at any time.

3.10 Where providers are currently delivering applicable service provision this business will be passported over under the Framework Agreement from April 2015, following a successful application to join under the open tender procurement process. This will maintain service continuity and recognises that many customers and/or their families have been involved in or chosen the particular service provider. Where current arrangements deliver economies of scale, there is an expectation that these would also continue under the new Framework Agreement. There are a small number of providers whose hourly rate is less than the current maximum ceiling rate and these rates would be maintained under the new Framework.
Location and Award of New Business

3.11 The Framework will provide services across the whole of the County, however to support more localised arrangements, providers will be given the opportunity to define a particular geographical area within which they are able to deliver services.

3.12 The geographical areas covered will be defined in lots as follows:

<table>
<thead>
<tr>
<th>FRAMEWORK LOT</th>
<th>SERVICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Chichester, Bognor Regis &amp; Arun West</td>
<td></td>
</tr>
<tr>
<td>3. Horsham, Burgess Hill, Haywards Heath, Crawley and East Grinstead</td>
<td></td>
</tr>
</tbody>
</table>

3.13 New Business will be awarded under the terms of a “Support Provision Opportunity” where packages of individual care and support for customers is put out to providers who have indicated an ability to deliver services in the geographical area where the customer is resident. The provider who can best meet these needs is then selected.

4. Resource Implications and Value for Money

4.1 It is estimated that by setting and implementing an hourly rate for support for disabled children and young people, approximately £100k per annum can be saved from the Disabled Children’s budget. There will be a small level of savings, probably less than £5k for the LD Pooled Budget as a result of no longer paying increased support costs on a short term basis to allow introduction of services on the SLF.

4.2 As set out in 1.4.2, significant savings were made from the LD Pooled Budget with the introduction of SLF. Given the cost pressures on providers since then and the relatively low uplifts (1% for 2013/14 and 1.38% for 2014/5) it is not considered possible to achieve further significant savings whilst maintaining an adequate and safe supply of service.

4.3 However, the Framework will outline efficiencies through volume and may apply a rebate mechanism; which will be based on individual provider business levels.

4.4 In making a decision to extend the Framework after the initial three year period, the Council will undertake an analysis of the market (including benchmarking services) to check for development of the market and/or further savings opportunities to ensure that any agreed contract extensions, terms and conditions and prices continue to represent the best value contract option.
4.4 The service specification also has a clear focus on promoting independence and reducing paid support wherever possible.

5. **Impact of the proposal**

5.1 Disabled children and young people will have the opportunity to access a wider range of organisations for support options. Therefore enabling more choice and control over the way support is provided.

5.2 An inclusive Framework Agreement will also enable organisations to continue to deliver support throughout the transitional period from young person to adult. This will improve the experience of transition to Adult Services and minimise the risk of support packages breaking down resulting in an urgent need to replace services.

5.3 A Framework Agreement with an expanded range of service delivery options will enhance customer options and choice and offer an alternative range of services to meet customer need.

5.4 **Equality Duty**

An Equality Impact Report has been undertaken and is detailed below or attached as an Appendix.

The Equality Impact Report outlines the methods of consultation, engagement and research which have enabled consideration on the impact of the proposals.

5.5 **Social Value**

5.5.1 The commissioning and continued development of supported living and personal support services for these customer groups will make reference to WSCC policy on social value and will take full account of the social, environmental and economic impacts of any decisions upon the local communities concerned.

5.5.2 The service has an inherent social value in that support is commissioned to enable customers to maintain independence within their communities.

5.5.3 The primary environmental impact of the framework is the carbon footprint created by the travel requirements of staff providing the service. To mitigate this and to ensure a positive impact on environmental well-being of the area, the service specification will require service providers to ensure that sustainability, and the corporate priorities set within the Sustainability Strategy are embedded into service delivery and continuous service improvement. The Council will engage with providers in relation to their carbon monitoring and reporting.

5.5.4 The services commissioned under the current Supported Living and Family Support Services Frameworks are provided by a diverse group of local and national providers with a large cohort of third sector organisations. All of the service provision is delivered from within the County and as such
supports local employment. Through the procurement, providers’ approach to recruitment, retention and workforce development will be evaluated to ensure an approach to employment which supports recruitment and incentivises retention.

6. Risk Management Implications

6.1 A small number of current providers on the Family Support Services Framework Agreement may be unable to continue to deliver services within the maximum ceiling hourly rate and therefore will choose not to join the new Framework Agreement. However the opening of the Framework to a wider group of organisations, including those currently delivering to adults, will aim to mitigate these risks by providing alternative organisations to take on this business.

6.2 The risk of complaints from providers is considered to be minimal as this is a service delivery model that they have been familiar with for the past 3 years and feedback from them demonstrates that they welcome the transparency and clarity of expectations that the Framework terms provides.

6.3 There is likely to be minimal disruption to customers and their families, as there will be continuity of existing service provision for most customers. They will be familiar with the process.

6.4 There is a risk that there would be a small number of staff in provider organisations that do not join the new Framework who would be entitled to a TUPE transfer across to new employer organisations. This will be managed on a case by case basis, but it is estimated as low as the Framework is not looking to reduce the number of organisations delivering services.

Judith Wright
Director of Public Health and Social Care Commissioning

Amanda Rogers
Director of Adult Services

Kevin Peers
Interim Director of Children’s Services

Contact:
Sue Coldham
Operations Manager, Learning Disability Service ext. 28769

Debbie Buckwell
Strategic Commissioning Manager for children with Special Needs and Disabilities ext. 22560

Karen Young
Contracts Manager, Learning Disabilities and Mental Health ext. 23794

Appendix 1: Equality Impact Report

Background Papers: None